

VZCZCXYZ0022
PP RUEHWEB

DE RUEHBE #0108/01 0522045
ZNY CCCCC ZZH
P 212045Z FEB 08
FM AMEMBASSY BELMOPAN
TO RUEHC/SECSTATE WASHDC PRIORITY 1111
RUCNCOM/EC CARICOM COLLECTIVE
RUEHZA/WHA CENTRAL AMERICA COLLECTIVE
RUEHME/AMEMBASSY MEXICO 0157
RUEABND/DEA HQS WASHDC
RHMFISS/HQ USSOUTHCOM MIAMI FL

C O N F I D E N T I A L BELMOPAN 000108

SIPDIS

SIPDIS

FOR WHA/CEN - R. BEAL
EMBASSIES ALSO FOR LEGATT, DEA, REGIONAL AFFAIRS

E.O. 12958: DECL: 02/21/2018
TAGS: [PREL](#) [PGOV](#) [SNAR](#) [EPET](#) [SOCI](#) [BH](#)
SUBJECT: BELIZE: POSITIVE INITIAL MEETINGS WITH PM AND
DEPUTY

REF: A. A) 07 BELMOPAN 287
[1](#)B. B) BELMOPAN 93 (BOTH NOTAL)

Classified By: Ambassador Robert Dieter for reason 1.4(b) and (d)

[1](#)1. (C) SUMMARY: Initial meetings with Prime Minister Barrow and Deputy Prime Minister Vega went well. Both said that they felt bilateral relations were on a good track. They said that the main challenge ahead was to run a clean administration, and while they were optimistic about the future they also do not underestimate the challenges facing Belize in the areas of crime, external debt and corruption. END SUMMARY.

[1](#)2. (U) In separate meetings February 19 the Ambassador congratulated Prime Minister Dean Barrow and Deputy Prime Minister Gaspar Vega for their party's election victory and expressed his desire to continue building good relations between Belize and the U.S.

PM BARROW

[1](#)3. (U) Appearing relaxed, Barrow began by noting that he was very pleased that the President called to congratulate him on his election. He said that the two had had a good conversation and that he was honored by the call.

[1](#)4. (C) On bilateral relations, Barrow's assessment was that things were going well. His only recommendation at this early stage was "steady as she goes," with both countries keeping an eye out for incremental improvements. In response to a question about the implementation of bilateral agreements on stolen cars and extradition, Barrow said that he welcomed consultations to tighten up implementation and treaty language.

[1](#)5. (C) Barrow said he was still making appointments to senior positions at ministries and other government bodies and that it would be a few more weeks until the government was fully functioning. He was planning a March 14 session for the opening of the National Assembly, to be followed by a dinner in Belize City for a wide group of stakeholders including the diplomatic corps, business, labor and church groups. Barrow saw this as an opportunity to reach out to many people and outline a vision for his government. He did say that Cathy Esquivel, wife of former Prime Minister Manuel Esquivel, would be named to head the National AIDS Commission. (COMMENT: From our perspective this is good news. The U.S. contributes significantly to HIV/AIDS

prevention and we have had a sense for some time that Belize's approach to the problem was poorly led and focused more on attending conferences and giving speeches than actually treating patients. Cathy Esquivel has been a member of the Commission and is a business woman with a good reputation for efficiency. END COMMENT.)

¶16. (C) Barrow said that one of his most pressing problems was law and order. He noted in particular that the police needed help to fight drugs and gangs more effectively. (NOTE: Specific assistance requests will be sent by septel. END NOTE.) He said the government needed a more effective Director of Public Prosecutions (DPP) to bring cases and clear up a large backlog. The current DPP had a year left on his contract but is in poor health and was not showing a lot of leadership in bringing cases. Barrow spoke of the need for a special court to try gang and gun-related cases to speed them through the judicial system and address the most serious offenses quickly.

¶17. (C) On public finances, Barrow noted that he had brought the well-respected former Finance Secretary Dr. Carla Barnett back to government to focus on the debt. There was a crucial need to "bridge the financing gap" caused in part by uncontrolled government spending in the run-up to the election and which threatened the government's ability to meet rescheduled debt payments. He said that he expected to go to Taiwan for additional budget support, noting that Taipei had always been helpful in the past.

¶18. (C) Regarding Venezuela, Barrow said that, while not keen on Chavez's "hegemonic aspirations" in the region, the bottom line was that Belize had to get funds from somewhere to be able to service its debt. He said that there was a "slightly bitter taste" in his party from the apparent

Venezuelan support for the rival PUP in the advance of the election but that he did not rule out the need to ask Venezuela for additional grants or loans. He said that he "won't follow Chavez's wake on anti-Americanism" which he said was "if fashionable, not practical." Barrow noted that his days as a supporter of "noisy nationalism" were over and that he was now "older and wiser."

¶19. (C) Barrow concluded by noting that, while a lot of issues were outside of his control, good governance was "totally on us." He and his government had the power to improve ethical standards and behavior and if they did not do so they could blame no one but themselves.

DEPUTY PM VEGA

¶10. (C) Much of the discussion with Gaspar Vega focused on his ministerial portfolio at Natural Resources. The Ministry maintains land records and issues titles and oversees as well forestry and petroleum. It was rocked with scandals during the Musa government, and Vega made it clear that one of his main challenges was going to be cleaning up an inherited mess. He said that Ministry staff were demoralized. He had spoken to them saying that change had come and that the Ministry would be run cleanly. Serious cases of wrongdoing were going to be prosecuted and clearly inappropriate land transactions were going to be revoked. Vega said that there had already been some resignations from the Ministry as a result.

¶11. (C) Vega expressed amazement at how far corruption had gone in the previous government. Of the US\$10 million grant for "housing improvements" received from Venezuela just after the election was called, Vega said that the new government had determined that at least US\$7.5 million had been rapidly disbursed, mainly to help PUP candidates buy votes. (NOTE: The new Minister of Housing subsequently told the press that all of the money had been given away, often with little or no documentation and in some cases to people who did not even own houses. There is apparently no mechanism in place to collect loan payments or to recover inappropriately disbursed

funds. END NOTE.)

¶12. (C) Vega also noted the frenzy with which the previous government had sold off assets at low prices just before the election, including Ministerial vehicles and construction machinery from the Ministry of Works. He said efforts would be made to investigate inappropriate transactions and seek to recover government assets.

¶13. (C) On petroleum, Vega said that the Ministry was going to review all of the exploration and production sharing agreements recently made by the previous government. He mentioned that he was going to meet with Allan Saum, an American who had alleged that he had been asked for a bribe by a previous Minister. He said he understood the importance of a level playing field and a transparent process for awarding oil agreements.

¶14. (U) When asked what sort of assistance his ministry could use, Vega singled out the Forestry Department, which he said is unable to enforce the laws and prevent illegal logging. He agreed with the assessment that a strengthened DPP able to carry out successful prosecutions would be a significant help.

¶15. (C) Bio Note: Vega confirmed what he had previously told Pol/Econ Chief: that he entered the U.S. illegally in 1980 while in transit from Jamaica to Belize, moved to California and married a Belizean woman who was a U.S. resident. He acquired residency through her and worked in the insurance industry until 1988 when he returned to Belize. He has three children born in the U.S. by his first wife and two born in Belize by his second wife.

COMMENT

¶16. (C) Both Barrow and Vega seem realistic about the challenges they face in trying to change the culture of corruption that has taken hold in Belize. They both insist that the days of impunity are over and that they are telling Cabinet members that the UDP government will not operate the way the PUP did. Both appeared candid in their desire for

continued good relations with the U.S., and our initial take is that they will be amenable to working with us more closely than the previous government.

DIETER